

UNANIMOUS CONSENT REQUEST—
S. 1315

Mr. AKAKA. Madam President, I ask unanimous consent that the Veterans' Affairs Committee be discharged from further consideration of H.R. 674 and the Senate proceed to its immediate consideration; that all after the enacting clause be stricken, the text of S. 1315, the Veterans Benefits Enhancement Act, as passed by the Senate on April 24, 2008, be inserted in lieu thereof, the bill, as amended, be read the third time and passed; that a title amendment which is at the desk be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, the Senate insist on its amendments, request a conference with the House on the disagreeing votes of the two Houses, and the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. CRAIG. Madam President, reserving the right to object—and I will object because of my concern of the way the given legislation is being handled—this is an issue on which the chairman of the Veterans' Affairs Committee and I have had some difference. At the same time, I clearly recognize the phenomenal commitment of the chairman to veterans and, in this case, to Filipino veterans who served us so gallantly during World War II.

It is my understanding there is a conflict in the House at this minute relating to the passage of legislation the Senate has moved. This is an effort to avert that conflict and bring the bill to a conference committee in a different form by using a House-passed bill. It is a tactic I hoped we would not use to address this important issue. The Senate can and should revisit this issue at another time. I hope we will.

It is with that intent that I object to this unanimous consent request.

The PRESIDING OFFICER. Objection is heard.

The Senator from Hawaii is recognized.

THE VETERANS BENEFITS
ENHANCEMENT ACT

Mr. AKAKA. Madam President, of course, I am very disappointed that an objection has been made to this unanimous consent request. The intent of the request is to create a means by which there might be further action on this very important veterans legislation before the Congress recesses next week.

On April 24, 2008, the Senate passed S. 1315, the Veterans' Benefits Enhancement Act of 2007, by a vote of 96-1. Since that time, the bill has languished in the House.

This bill would improve benefits and services for veterans, both young and old. It includes numerous enhancements to a broad range of veterans' benefits, including life insurance pro-

grams for disabled veterans, traumatic injury coverage for active duty servicemembers, automobile and adaptive equipment benefits for individuals with severe burn injuries. In addition, the bill includes a provision that would correct an injustice done to World War II Filipino veterans over 60 years ago. It grants recognition and full veterans status to all of these individuals, both those living inside and outside the United States.

In order to cover the costs of S. 1315, the bill would overturn a court decision in a case known as Hartness. That decision allowed for certain veterans to receive an extra pension benefit based solely on their age, a result never intended by Congress. The purpose of the provision in S. 1315 is simply to restore the clear intent of Congress, but some have mischaracterized it as an attempt to withdraw benefits from deserving veterans and grant them to undeserving veterans. This misconception is the main reason that action on S. 1315 has been held up.

I am not interested today in debating the merits of the bill—either the increased benefits or the revenue provisions—but rather ask that the Senator or Senators who object to the request to set up a conference with the House—advise me of their concerns to see if it might be possible to find a way forward. I am very committed to this veterans' benefit legislation and would like to see if we can reach final action before the end of next week. If we are not able to do so, I intend to renew my efforts in the next Congress.

Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Hampshire is recognized.

Mr. GREGG. Madam President, I wish to return to the issue which has been the topic of the day—and should be, obviously—and that is the stress on the financial systems in the United States.

Earlier in the day, I asked why we couldn't have an adult discussion of this subject rather than a lot of hyperbole and partisanship. I doubt it was my comments that energized it. In any event, the Senator from New York, Mr. SCHUMER, did come down and make a couple of points on how he thought we could proceed. I wish to comment on those specific points and elaborate a little bit.

First off, the term "Resolution Trust Corporation" has been thrown around a great deal. I am, as I mentioned earlier today, rather familiar with that term because I was Governor of the State of New Hampshire at the time that we had the real estate meltdown in the

Northeast and the Resolution Trust Corporation came in, as well as the FDIC under Chairman Seidman. Chairman Seidman did an extraordinary job, by the way, for us. We had to reorganize our banking system. The assets fell into the hands of the Resolution Trust Corporation, which then proceeded to dispose of those assets which basically had caused the banking system to fail in the Northeast and earlier in the Texas area.

I think that vehicle was appropriate to that time. I think what we are hearing today in the term "resolution trust" is the concept, not the specifics of that vehicle. Thus, when Senator SCHUMER said it was inappropriate for Senator MCCAIN to throw out the concept of resolution trust as an approach to addressing this extraordinarily critical matter, I think he may—I don't know, I can't speak for Senator MCCAIN—I suspect Senator MCCAIN's purpose was to talk about the concept of a government entity, such as the resolution trust, which comes in and basically relieves the pressure on the financial markets by creating value under assets which nobody at the present time can value. That is what we need. That is exactly what we need.

I would not dismiss the idea out of hand. I would simply say it is a term of art now versus a specific structure, and the term of art is essentially stating that the Federal Government does have a role potentially of coming in and putting value on assets which cannot be valued by the market and which are locked down and which have caused the whole credit market in the Nation to freeze down.

That is what has happened today, of course, in these mortgage-backed securities. Nobody knows the value of the security underlying the mortgage-backed security and, therefore, it is impossible to sell them and, therefore, the fluidity of the economy has been disrupted and, in fact, we are seeing a freezing of the economy as these securities hold in place instead of being traded.

What has been suggested, and actually, interestingly enough, appears to be the suggestion of the Senator from New York, is we create some sort of structure which allows the Federal Government to step in and essentially put value underneath these mortgage-backed securities by using the good faith and credit of the American taxpayer to essentially set a price for those. He suggested a couple ways of doing this. Let me comment on those suggestions because I think they are worth commenting on.

First, as the price of doing this, he suggests we should change the bankruptcy laws, a proposal debated here at some length earlier in the year, so bankruptcy courts would have the right to write down mortgages in bankruptcy. That is an appealing idea on its face because most of these mortgages are going to be written down anyway. But the issue becomes, what is the cost